Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico, held virtually at Gallup City Hall, 110 West Aztec Avenue, Gallup, New Mexico, at 2:00 p.m. on Tuesday, May 19, 2021.

The meeting was called to order by Mayor Louie Bonaguidi. Upon roll call, the following were present:

Mayor:

Louie Bonaguidi

Councilors:

Linda Garcia Michael Schaaf Yogash Kumar Fran Palochak

Also present:

Maryann Ustick, City Manager Curtis Hayes, City Attorney

The Mayor and Councilors conducted a Work Session on the following topic:

1. Presentation and Discussion on Liquor Reform Legislation Enacted by the State Under House Bill 255 – Mayor Louie Bonaguidi and State Representative Antonio "Moe" Maestas

Representative Maestas, the primary sponsor of House Bill 255, provided an overview of the following changes to the Liquor Control Act of New Mexico, effective July 1, 2021:

- The new Restaurant A and B licenses.
- Opt-in requirements for Gallup and McKinley County for Restaurant B Licenses.
- Legalized delivery of alcoholic beverages.
- Elimination of restrictions on package liquor sales on Sundays and Christmas day. Sunday package liquor sales will be permitted in Gallup; however, Gallup may enact an ordinance to restrict sales from 7:00 a.m. to 10:00 a.m.
- \$200,000 in tax deductions for current license holders.
- State license fees in 2021 are waived.
- State license fees are waived for ten years for those who purchased a license during the past five years. The license fees are waived for five years for those who owned a license (or their successors) greater than five years.
- The definition of "premise" was amended to mean "the contiguous areas of the structure."
- Individuals who are 18 years of age may now be servers; however, bartenders and those delivering alcoholic beverages must be 21 years of age.
- Alcoholic beverages cannot be delivered to college campuses or places of business.

MINUTES Special City Council Meeting – 5/19/2021 Page 2

- Previous canopy licenses which were replaced with dispenser licenses may now be transferred across county lines or local option districts without losing their package sales component.
- Licenses in Gallup and McKinley County may now be transferred out of Gallup and McKinley County without losing their package sales component.
- Miniatures of spirits, 3 ounces or less, are prohibited for sale for off-site consumption.
- Businesses with dispenser's licenses in Gallup and McKinley County that sells retail gasoline shall not sell alcoholic beverages other than beer.
- Tastings for wineries, distilleries and breweries may be combined.
- Licenses are automatically granted for rural airports.
- The definition of governmental license was amended to give local governments more flexibility for the use of these licenses at facilities.

Regarding Gallup and McKinley County's unique challenges, Representative Maestas said he believes the legislature will defer to the local leadership with shaping liquor laws for McKinley County in the future.

Following his presentation, Representative Maestas answered questions posed by the Mayor, Councilors, City staff, local license holders and business representatives in attendance via Zoom. There was no action taken by the Mayor and Councilors during the Work Session.

Following the presentation, Councilor Palochak made the motion to adjourn. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

∠ouie Bonaguidi, Mayor

ATTEST.

Alfred Abeita II, City Clerk